



STATE BOARD OF EQUALIZATION

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E. L. SORENSEN, JR.
Executive Director

May 20, 1996

Mr. J--- W. A---

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XXXXX --- --- ---, Suite XXX

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Dear Mr. A---:

As we advised you on March 22, 1996, when we met with you, and members of your staff, and with your attorney, here in Sacramento, we have recently reviewed the provisions of Revenue and Taxation Code section 7056.

As you are aware, that section generally provides that information pertaining to any retailer or any other person required to report to the Board or pay tax pursuant to the Sales and Use Tax Law is confidential.

Section 7065 does provide that information may be released to local government agencies and to private persons contracting with local government agencies under certain conditions and subject to certain qualifications.

Section 7056 specifically provides in paragraph (b)(1)(B) that a private consultant shall disclose information contained in or derived from sales or transactions and use tax records “only to an officer or employee of the county, city and county, city or district who is authorized...to examine the information.”

It is our view that a private consultant may not disclose confidential information to an attorney who is retained as an independent contractor to provide legal services and is not an employee of the person identified by resolution.

As you are aware, any violation of section 7056 is a misdemeanor punishable by a fine of not less than one thousand dollars (\$1,000) and not more than five thousand dollars (\$5,000) or imprisonment not exceeding one year in the county jail, or both. Rev. & Tax. Code § 7153.

Very truly yours,

Gary J. Jugum
Assistant Chief Counsel

GJJ:sr

cc: Mr. Glenn A. Bystrom – MIC:43